

## Message Text

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PAGE 01 QUITO 06546 181552Z

64

ACTION ARA-20

INFO OCT-01 EUR-25 ISO-00 EB-11 COME-00 INT-08 SCEM-02

SCI-06 OMB-01 TRSE-00 CIAE-00 DODE-00 PM-07 H-03

INR-10 L-03 NSAE-00 NSC-10 PA-04 RSC-01 PRS-01 SPC-03

SS-20 USIA-15 DRC-01 /152 W  
----- 032399

R 181425Z DEC 73

FM AMEMBASSY QUITO  
TO SECSTATE WASHDC 9464  
INFO AMEMBASSY BOGOTA  
AMEMBASSY CARACAS  
AMEMBASSY LIMA  
AMEMBASSY VIENNA  
AMEMBASSY PANAMA  
AMCONSUL GUAYAQUIL

LIMITED OFFICIAL USE QUITO 6546

E.O. 11652: N/A

TAGS: ENRG, EC

SUBJECT: PETROLEUM REFERENCE PRICE INCREASED TO \$10.00 PER BARREL

REF: QUITO 5879

1. GOE DECREED NEW PETROLEUM TAX REFERENCE PRICE OF  
\$10.00 PER BARREL (FOR 28 DEGREE GRAVITY CRUDE) EFFEC-  
TIVE DECEMBER 16, 1973. REFERENCE PRICE INCREASES  
(DECREASES) 10 CENTS PER DEGREE OF GRAVITY ABOVE (BELOW)  
28 DEGREES. REFERENCE PRICE OF \$7.30 WAS IN EFFECT  
SINCE NOVEMBER 10.

2. AT THIS REFERENCE PRICE, THE GOE RECEIVES ABOUT  
\$6.75 PER BARREL. IN A HYPOTHETICAL YEAR'S TIME,  
GOVERNMENT REVENUES WOULD BE \$535 MILLION AT THE CURRENT  
RATE OF PRODUCTION (220,000 BARRELS PER DAY). TO INDI-  
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CATE THE RAPIDLY CHANGING FISCAL PICTURE, IN 1973 GOE  
PETROLEUM REVENUES WILL PROBABLY BE UNDER \$150 MILLION.

WITH PETROLEUM INCOME OF \$535 MILLION, GOVERNMENT  
REVENUE FROM ALL SOURCES IN 1974 WOULD BE8ROUGHLY DOUBLE  
THAT OF 1972.

3. OF THE 50.9 MILLION BARRELS OF CRUDE EXPORTED IN  
1973 THROUGH SEPTEMBER 30, 13.9 MILLION WENT DIRECTLY TO  
THE U.S. AND PUERTO RICO. ANOTHER 21.1 MILLION WERE  
SHIPPED TO CARIBBEAN REFINERIES, IN PART FOR THE U.S.  
MARKET, AND CANADA RECEIVED 0.7 MILLION. EXPORTS#TO  
LATIN AMERICA REPUBLICS WERE 15.1 MILLION BARRELS,  
CHIEFLY TO PANAMA (8.4 MILLION) AND PERU (4.1 MILLION).  
BREWSTER

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** PETROLEUM, EXPORTS, PETROLEUM INDUSTRY, PRICE TRENDS, BARRELS (CONTAINERS), GOVERNMENT REVENUES  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 18 DEC 1973  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** golinofr  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1973QUITO06546  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** n/a  
**From:** QUITO  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1973/newtext/t19731218/aaaaanek.tel  
**Line Count:** 73  
**Locator:** TEXT ON-LINE  
**Office:** ACTION ARA  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:**  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** QUITO 5879  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** golinofr  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 17 JAN 2002  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <17-Jan-2002 by martinjw>; APPROVED <08 FEB 2002 by golinofr>  
**Review Markings:**

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30 JUN 2005

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** PETROLEUM REFERENCE PRICE INCREASED TO \$10.00 PER BARREL  
**TAGS:** ENRG, EC  
**To:** STATE  
**Type:** TE  
**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005